

CHAD K. TANIGUCHI EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF HUMAN SERVICES HAWAII PUBLIC HOUSING AUTHORITY 1002 NORTH SCHOOL STREET POST OFFICE BOX 17907 Honolulu, Hawaii 96817

June 23, 2009

BARBARA E. ARASHIRO EXECUTIVE ASSISTANT

IN REPLY PLEASE REFER TO: 09:CPO/248

TO:

Priority Listed Offerors

FROM:

Rick T. Sogawa

Acting Procurement Officer

SUBJECT:

Request-For-Proposals No. OED-2009-15, Addendum No. 7

Revitalize and Redevelop Kuhio Park Terrace and Kuhio Homes on the

Island of Oahu

This Addendum No. 7 is to revise the procurement timeline, provide additional information and responses to questions that were received at the Pre-Proposal Conference conducted by the Hawaii Public Housing Authority (HPHA) on May 22, 2009, up until May 29, 2009:

- 1. As additional information, the Sampling and Analysis Plan Site Assessment at Kuhio Park Terrace dated September 2004 is provided as Attachment 1 to this Addendum No. 7.
- 2. Revised Procurement Timeline:

Step Two – Request for Proposals: Technical Submission

Issuance of RFP
 May 15, 2009

Submission of Developer Proposals
 Monday, July 13, 2009

2:00 p.m. HST

Presentation(s) by Developer(s)

August 4, 2009

Best and Final Offer August 10, 2009
Notification of Selected Developer August 24, 2009

Complete Development Contract October 16, 2009

Questions:

1. Will the Project development require compliance with the environmental review procedures of Hawaii Revised Statutes Chapter 343, and/or the same for National Environmental Policy Act (NEPA)?

Yes, interested offerors should assume this when preparing their proposals.

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2. Any off-site sites that the HPHA owns that could be considered to be developed upon?

Yes, the HPHA has an estimated 1.3 acre vacant unsubdivided piece that is part of Kamehameha Homes. A 60-unit elderly project was planned there many years ago, but was rejected by HUD as being incompatible with two surrounding public housing family sites. The HPHA does not know the capacity situation with water, sewer, electricity, etc.

The vacant parcel is located on the makai (ocean) section of the Kamehameha Homes property bounded by North King St, Kalihi St, Alokele St, and a private lane (TMK 1-5-001:001). See Attachment 2.

Disposition will need to be requested from HUD, for which there is no guarantee, but it would seem to be in line with HUD policies. The ultimate disposition will be subject to the HPHA Board of Directors' approval and HUD approval. If approved, HPHA would lease the ground to the developer for the same term as KPT. This is not a large piece, but could help the overall project with public, affordable, or market rate housing development. The HPHA has unused ACC units that could be allocated for at least a portion of the new units. Interested offerors are encouraged to consider how this vacant parcel can assist the redevelopment.

3. Will the HPHA coordinate with the Hawaii Housing Finance & Development Corporation (HHFDC) to have a certain amount of bond money to be set aside from its yearly allocation for the redevelopment of Kuhio Park Terrace and Kuhio Homes?

The HPHA can request, but the decision will be up to the HHFDC. The HHFDC is an independent agency that has to follow its own rules on funding.

- 4. Could we get the most current capacities of the sewer lines, electrical and water supplies for the KPT and this general area?

 At this point it is in the best interest for the interested offerors to contact the city and utilities directly to obtain the current capacities of the sewer lines, electrical and water supplies for KPT and the general area.
- 5. Could we get a more recent site plan? The ones in the addendum 2 (May 20th) do not show complete townhomes and area north of the school. See Attachment 3.

- 6. Please provide the following:
 - a. Rent roll, current and historical;
 - b. Occupancy/vacancy records, current and historical;
 - c. Operating income and expense records/statement with breakdown of revenues, grants, subsidies, (and how there are applied), and costs, current, and historical.
 - d. Breakdown of unit types (eg. 1/bed/bath, 2 bed/2 bath, etc.) and sizes, by building in Excel format.

Item a. See Attachment 4.

Item b. See Attachment 5.

Item c. See Attachment 6.

Item d. See Attachment 7.

7. Under IV. E. of page 17 of the RFP, reference is made that the HPHA retains a portion of what it receives from HUD for its monitoring and asset management function, which is to be determined prior to the Step 2 RFP. Has this information been made available?

Typically, it is negotiated at 5% of the Annual Contributions Contract subsidy allocable to the property.

8. What is the timeline for the design and contracted renovations work for elevator modernization, fire alarm replacement, and trash chute replacement as set forth on page 4 of the RFP?

Elevator modernization for six elevators has started. Completion and operation of the first pair (1 per tower) is scheduled for April 2010; the second pair for November 2010, and the third pair for May 2011.

Fire alarms are being installed. Completion estimated by April 2010 or sooner.

Trash chutes are being ordered for installation. Completion estimated by April 2010.

If you have any questions, please call contact Rick Sogawa at (808) 832-6038. Thank you.

